

# **Exhibit A**

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EXHIBIT 99.3



CLEVELAND-CLIFFS INC.

200 Public Square, Suite 3300, Cleveland, OH 44114

P 216.694.5700 clevelandcliffs.com

David S. Sutherland, Chairman of the Board  
David B. Burritt, President & Chief Executive Officer  
United States Steel Corporation  
600 Grant Street  
Pittsburgh, PA 15219-2800

July 28, 2023

Gentlemen:

On behalf of Cleveland-Cliffs Inc. ("Cliffs"), I would like to express Cliffs' strong interest in pursuing the acquisition (the "Transaction") of United States Steel Corporation (the "Company"). To that end, we are pleased to submit this non-binding proposal, which has been reviewed with and has the support of Cliffs' Board of Directors (this "Proposal"), to acquire the Company in a combined stock and cash transaction with an implied total enterprise value of approximately \$10 billion. Specifically, we are proposing a mix of 50% cash and 50% stock, and we are valuing the Company's stock at \$35.00 per share. This Proposal represents a premium of 42% to the Company's closing share price of \$24.67 on July 28, 2023, and a premium of 43% to the Company's 30-day volume-weighted average price of \$24.41.

This Proposal is based on 257.65 million fully diluted Company shares outstanding and \$753 million of Company net debt as of June 30, 2023, assuming the Company's convertible notes are converted to equity at \$35.00. This Proposal also assumes that the Company's public disclosure is an accurate reflection of the state of its operations and liabilities, and that the Company maintains its current capitalization and asset configuration in substantially the same form and substance as they currently exist.

**We believe that your Board members – as well as your stockholders, many of whom are also our shareholders – will enthusiastically support this Proposal.** As explained in the attached supplemental materials, the Transaction creates a leading diversified company within the American steel landscape. The cash component of the Proposal allows for the Company's stockholders to recognize significant and immediate cash certainty in the Company's very relevant accomplishments to-date. The Company's stockholders will also have the opportunity to benefit from the meaningful upside we anticipate in the form of Cliffs' stock. In particular, the Transaction will deliver significant synergies for the benefit of all pro forma shareholders. It will also serve to de-risk the Company's strategic initiatives through enhanced scale and feedstock profile, and a robust pro forma free cash flow.

Please note that **we are offering this substantial premium based on the synergies we envision achieving as a combined company, which we believe will reach the \$500 million mark.** As we have proven with our acquisitions and subsequent integrations of AK Steel and ArcelorMittal USA, Cleveland-Cliffs has a strong track record achieving meaningful synergies through scale, logistics and asset optimization. **The achievement of these synergies would make our respective companies more valuable combined than on a standalone basis, justifying our premium offer.**

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United States Steel Corporation  
July 28, 2023  
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Among other relevant considerations, we would like to emphasize the following two points:

- i) Our scrap company FPT can support the current needs of the Company's existing EAFs, as well as the significantly increased scrap needs upon completion of the ongoing Big River Steel expansion; and
- ii) Similarly to how we currently operate our blast furnaces, the HBI produced in our state-of-the-art Direct Reduction plant can be utilized in the Company's blast furnaces, with quantifiable positive impacts on coke rate and CO2 emissions.

Of note, Cliffs has ample liquidity and access to capital sources to finance the Transaction and to repay or assume any indebtedness of the Company requiring repayment in connection with the Transaction. The Transaction is not subject to a financing condition, although it would be subject to approval by Cliffs' shareholders, whom, for the reasons noted above (among others), we are confident will be fully supportive. We are attaching for your reference "highly confident" letters from each of Wells Fargo, UBS, MUFG and Truist in support of financing the Transaction.

Moreover, **we have a very good relationship with the United Steelworkers (USW), which we believe provides Cliffs with a unique position to facilitate the smooth execution of the Transaction.**

Our executive management and advisors are committed to devoting the required resources that are necessary to quickly and efficiently complete our due diligence and finalize mutually acceptable definitive agreements on appropriate and customary terms. Given our familiarity with the Company, we will require only the completion of limited business due diligence along with customary public company legal due diligence in order to proceed with the Transaction. As a further demonstration of our commitment to the Transaction, we have already engaged Moelis & Company and Wells Fargo as our financial advisors, as well as Davis Polk as our legal counsel. **Very importantly, based on our preliminary analysis of the Transaction with Davis Polk, we anticipate that the Transaction will clear all applicable antitrust and other regulatory reviews in a timely manner.**

This Proposal is intended to provide a framework that will allow us to discuss the Transaction and is not intended to, and does not, create or constitute any legally binding obligation between the parties. We are excited about this opportunity and are prepared to move forward expeditiously. In order to do so, **we require a formal, written response regarding this Proposal by 5:00 p.m. ET on August 7, 2023.** We welcome the opportunity to further discuss this Proposal at your convenience.

Sincerely,



Lourenco Goncalves  
Chairman, President and Chief Executive Officer

cc: Duane D. Holloway, SVP, General Counsel, and Chief Ethics & Compliance Officer

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